

**MINUTES  
LAKE LANIER ISLANDS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
PINEISLE CENTER  
LAKE LANIER ISLANDS, GEORGIA**

**November 17, 2010 -- 12:49 p.m.**

**BOARD MEMBERS PRESENT:**

Mr. Lonice C. Barrett, Chairman  
Mr. Craig Dowdy  
Mr. Hank Burnham  
Mrs. Dorothy Burns (via telephone)  
Mr. Alan Gravel  
Mr. John Gibb  
Mr. John Kieffer  
Mr. Bob Whitley

**STAFF:**

Mr. Bill Donohue  
Mr. Lee Smith  
Ms. Joy Hortman  
Ms. Marilyn Brown

**ABSENT BOARD MEMBERS:** Mrs. Connie Hagler

**VISITORS:** Mr. Samuel L. Oliver, LLIDA Legal Counsel, Hulsey, Oliver & Mahar, (Special Assistant to the Attorney General)  
Mr. Virgil Williams, Lake Lanier Islands Management Company, LLC  
Mr. Grier Todd, Lake Lanier Islands Management Company, LLC  
Mr. Joe Tanner, Tanner & Associates

**NOTE : All referenced materials were provided to Board members during the meeting.**

**I.&II. CALL TO ORDER AND APPROVAL OF AGENDA**

Chairman Lonice Barrett called the meeting to order at 12:49 p.m. *Mr. Kieffer moved to approve the Agenda as presented; the motion was properly seconded and unanimously carried.*

**III. APPROVAL OF 1) OCTOBER 15, 2010 INFRASTRUCTURE COMMITTEE MEETING MINUTES and 2) OCTOBER 15, 2010 LLIDA BOARD MEETING MINUTES**

*Mr. Gravel moved to approve Minutes of the October 15, 2010 Infrastructure Committee Meeting and the October 15, 2010 LLIDA Board of Directors Meeting as submitted; the motion was properly seconded and passed unanimously.*

**IV. ACTION ITEMS**

**1. Approve 2011 LLIDA Board Meeting Schedule**

Mr. Donohue referred to the proposed 2011 Board Meeting Schedule. He said a number of Board members had expressed concurrence with the dates as presented. He noted that with the exception of January and September, meetings occur on the third Friday of the month. Chairman Barrett said that if additional meetings are necessary, they will be scheduled.

Mr. Whitley moved to approve the 2011 Board Meeting Schedule as presented; Mr. Kieffer seconded the motion and it passed unanimously.

2. **Consider approval of Georgia State Financing and Investment Commission (GSFIC) General Obligation (GO) Bonds for the Amphitheater Project Design in the amount of \$250,000 and authorize the Executive Director to sign the necessary forms and documents**

Mr. Donohue referred to 1) his memorandum dated November 9, 2010 regarding General Obligation (GO) Bond proceeds and 2) a letter from the Georgia State Financing and Investment Commission (GSFIC) dated November 1, 2010, to the Department of Natural Resources (DNR). He explained that enclosures with the letter were 1) Commitment Letter Addendum; 2) Asset Tracking Sheet for each project and 3) Request for Reimbursement Form.

Among comments made were the following:

- the Board previously approved placing \$250,000 on the DNR priority list for GO Bond projects
  - ~GO Bonds were sold; funds now available for Amphitheater Project design and engineering
- Lease agreement issues must be resolved before funds are available
  - ~Legal Counsel is currently working on these issues
- LLIDA will be responsible for the investment of funds through an agreement with LLIMC
  - ~these funds will be strictly for project design/engineering
- feasibility study is being undertaken by LLIMC
  - ~cost of economic impact analysis and feasibility study estimated to be approximately \$35,000

Mr. Donohue said that Board approval to execute the GSFIC commitment letter is recommended by staff.

Legal Counsel Samuel L. Oliver said he approved the documents as to form and necessity to submit. In answer to a question about the timing of this action, he said it is appropriate that this action be taken now so it is on record and can be used at a later date.

Mr. Burnham moved to approve the Georgia State Financing and Investment Commission (GSFIC) General Obligation (GO) Bonds for the Amphitheater Project Design in the amount of \$250,000, and to authorize the Executive Director to sign the necessary forms and documents. Mr. Whitley seconded the motion and it carried unanimously.

Mr. Virgil Williams asked whether it would be possible for a Board committee to be assigned to discuss the Amphitheater Project feasibility study with LLIMC. Chairman Barrett replied that he will meet with Bill Donohue and Craig Dowdy of the Infrastructure Committee and others to discuss this matter and plans to appoint a subcommittee to study the issue.

#### **IV. FINANCIAL REPORT**

Mr. Donohue referred to the September 2010 Financial Report. He said that the first page was submitted by LLIMC and would be discussed later by Mr. Grier Todd. He referred to Page 3, INCOME STATEMENT under "Operating Expenses". He explained that the reason for the negative \$91,795 was that it reflects the adjustment approved by the Board in September 2010 when the \$100,000 was taken from FY 2011 and moved to FY 2010. On Page 5, OPERATING BUDGET, he referred to the item "Islands Marketing Program" under the heading OTHER EXPENSES. He said was approved at the June 2010 meeting, and since that time, the Board has approved a Marketing Agreement with LLIMC. He said this category was introduced to reflect monies spent in the 2011 Operating Budget and the corresponding impact on the operating margin.

*Mr. Dowdy moved to approve the September 2010 LLIDA Financial Report as submitted including the revised 2011 Operating Budget; Mr. Kieffer seconded the motion and it passed unanimously.*

#### **VI. DISCUSSION ITEMS**

##### **1. Report by Legal Counsel (Mr. Sam Oliver)**

##### **a. General Obligation (GO) Bonds**

LLIDA Legal Counsel Sam Oliver reported that he had conferred with Bill Donohue, Virgil Williams and others regarding steps to be taken in order to access General Obligation (GO) Bond funds. He said there are four documents required, and all will be signed at the same time. He described the documents as follows:

- 1) the Lease between LLIDA and LLIMC must be amended and approved so that the Amphitheater property reverts to the Department of Natural Resources (DNR) and is eligible for GO Bond money
- 2) Project Agreement between LLIDA and DNR which states that funds belong to DNR but LLIDA is entrusted to spend these funds on behalf of DNR
- 3) Management Agreement between LLIDA and LLIMC whereby LLIMC would manage project; business points have yet to be defined because the amount of money involved is not yet known
- 4) Reverting Agreement to be executed when the period of bonds has expired; the project would revert back to LLIMC

##### **2. Report by Executive Director (Mr. Bill Donohue)**

Reference was made to Mr. Donohue's report dated November 8, 2010. Among comments made were the following:

- Nova Engineering inspected Water Tank and discovered several minor items
  - ~mostly cosmetic problems (paint drips; sequence of wells not properly prepared)
  - ~meeting was held to discuss issues and plan for corrections
- MAGICAL NIGHTS OF LIGHTS (MNOL) starts Saturday, November 20, 2010 and special reception/tour for Board members planned for Thursday, December 9

- rehab of 12" sewer line is out for bids
- annual Department of Audits review of LLIDA's records for FY 2010 completed with no findings, exceptions or other issues
  - ~new audit team this year had high praise for manner in which LLIDA books/records are maintained
  - ~thanked Joy Hortman and Lee Smith for exemplary work in keeping LLIDA books and records in great shape
- LLIMC submitted its first request for reimbursement under new marketing program
  - ~partial payment made; awaiting additional documentation
- a book entitled "AMPHITHEATER PROJECT " was provided for Board review
  - ~ book developed by a concert promoter so contents are presented from a specific point of view; however, concerts are a small part of uses envisioned for the facility
  - ~referred to seating diagram and discussed size, design, etc. of facility
  - ~have had a number of good meetings with architects and engineers who have provided good feedback and ideas
  - ~will be a year-round event venue
- annual "Eggs and Issues" breakfast scheduled for Tuesday, January 11, 2011
  - ~Board members are invited; notify staff if interested in attending

Mr. Donohue distributed a handout entitled "Estimated Cost to Add Reuse Water System at Lake Lanier Islands" which consisted of three pages showing: 1) estimated cost; 2) detailed history of LLIDA expenditures on Water Reclamation Facility, Pump Stations, Plant Demolition and Additional Sewer Work; and 3) aerial photograph of 12" sewer line. Among his comments were the following:

- there are funds remaining in the Georgia Environmental Financial Authority (GEFA) loan
  - ~balance of GEFA funds could be used to implement water reuse system earlier than originally planned
  - ~Water Reclamation Facility project expected to be closed out in the next 120 days
  - ~presenting this information today to determine whether Board members interested in pursuing such a project

Chairman Barrett thanked Mr. Donohue for an excellent report (especially the good Department of Audits review) and expressed appreciation to the LLIDA staff for its work.

**3. Report by COO, Lake Lanier Islands Management Company, LLC (Mr. Grier Todd)**

Mr. Grier Todd, Chief Operating Officer of Lake Lanier Islands Management Company, LLC (LLIMC), referred to the first page of the LLIDA Financial Report and noted that September revenues were up 25% over last year. Among his comments were the following:

- new promotion "Haunted Nights of Lights" was a success
- Sunset Cove has been extremely popular even into the fall season

~proof that if amenities are available to boaters, they will come

-- “Magical Nights of Lights” reception planned for December 9

Mr. Virgil Williams thanked the Board for its continued support and expressed appreciation for the opportunity to share LLIMC’s plans.

**VII. ADJOURNMENT**

There being no further business, the meeting was properly adjourned at 1:35 p.m.

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Lonice Barrett  
Chairman  
Lake Lanier Islands Development Authority

These Minutes were recorded and transcribed by

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Marilyn Brown  
Assistant Secretary  
Lake Lanier Islands Development Authority

